

DEPARTMENT OF THE INTERIOR  
U.S. FISH AND WILDLIFE SERVICE

**FINDING OF NO SIGNIFICANT IMPACT**

ISSUANCE OF AN ENDANGERED SPECIES SECTION 10(a)(1)(B) PERMIT  
FOR INCIDENTAL TAKE OF THE CACTUS FERRUGINOUS PYGMY-OWL  
(*Glaucidium brasilianum cactorum*) DURING CONSTRUCTION OF A RESIDENTIAL  
DEVELOPMENT ON UP TO 113 ACRES OF THE 512-ACRE SKYRANCH PROPERTY  
LOCATED IN THE TOWN OF MARANA, PIMA COUNTY, ARIZONA

The U.S. Fish and Wildlife Service (FWS) prepared an environmental assessment for the issuance of a Section 10(a)(1)(B) permit for incidental take of the cactus ferruginous pygmy-owl (*Glaucidium brasilianum cactorum*) (pygmy-owl), a federally-listed endangered species, during the construction and operation of a residential development on the 512-acre Skyranch property located in the Town of Marana, Pima County, Arizona. Such an action will allow the otherwise legal development to proceed and provide for the preservation of habitat for the pygmy-owl.

**Proposed Action**

The proposed action is the issuance of a permit (TE-063647-0) under Section 10(a)(1)(B) of the Endangered Species Act to authorize incidental take of pygmy-owls during construction and operation of a residential development.

The proposed construction of the residential development on up to 113 acres of the 512-acre property located in the Town of Marana, Pima County, Arizona, will comply with all local, State, and Federal environmental regulations addressing environmental impacts associated with this type of development.

Exeter has developed the Skyranch Habitat Conservation Plan that specifies what steps will be taken to minimize and mitigate for the incidental taking of the pygmy-owl and its habitat. This HCP includes the following features:

- On-site minimization of impacts to the pygmy-owl and its habitat on the subject property
- On-site mitigation by leaving 399 - 409 acres of pygmy-owl habitat in an undeveloped, natural state (the Reserve);
- Execution of a Conservation Easement, and establishment of a Reserve Management Plan, Reserve Manager, and endowment for the Reserve; and
- Monitoring and reporting;

Details of the mitigation proposal are provided in the Environmental Assessment, Habitat Conservation Plan, Implementing Agreement, and Incidental Take Permit prepared for this action. These conservation plan actions ensure that the criteria established for issuance of an incidental take permit will be fully satisfied.

### Alternatives Considered

1. Preferred Alternative: Construction of 440 residential lots, roads, and associated utilities on 103 to 113 acres of the 512-acre Sky ranch Property and preservation of 399 to 409 acres of pygmy-owl habitat as a Reserve, restricted to activities which will maintain pygmy-owl habitat values, under an incidental take permit and according to the HCP submitted in the application;
2. Alternative Project Design: An alternative project design would consist of 74 acres of production lots, 16 acres of estate lots, 10.9 acres of multi-family housing, and 1.5 acres of commercial development. This project design stipulates that the estate lots be sold with deed restrictions limiting ground disturbance to a 21,000 square foot development pad. The area outside the permitted building envelope would remain vegetated in its natural state. Management of open space within deeded lots is more difficult than in common areas; therefore, this alternative was considered non-practicable. Multi-family and commercial acres also have the potential to impact pygmy-owls to a greater extent than single-family homes; and
3. No action: Under this alternative, the Applicant would not develop the property and there would be no take of pygmy-owls. The Property is privately held and therefore subject to the economic pressures of maintenance, taxation, and liability. The sale of the Property for purposes other than development is not economically feasible. The owners of the Property are unable to economically justify the continued costs of maintaining the Property without a reasonable economic return. Therefore, this alternative was considered non-practicable under current and foreseeable circumstances.

### Determination

Based upon information contained in the Environmental Assessment, the Habitat Conservation Plan, and supporting data in FWS files, we have determined that this action is not a major Federal action that would significantly affect the quality of the human environment within the meaning of Section 102 (2)(c) of the National Environmental Policy Act of 1969. Accordingly, the preparation of an Environmental Impact Statement on the proposed action is not warranted.

It is my decision to issue Section 10(a)(1)(B) permit number TE-063647-0 to Exeter LXI, L.L.C. for the construction of a residential development on 103 to 113 acres and the establishment of a Reserve on the remaining 399 to 409 acres of the 512-acre Sky ranch Property in the Town of Marana, Pima County, Arizona.

This action is not expected to result in significant impacts to the physical and biological resources at the proposed Skyranch Project site or the surrounding area. The issuance of the permit and implementation of the HCP would not result in significant effects on the human environment.

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Deputy Regional Director, Southwest Region

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Date